

September 29, 2014

Via E-mail

Mr. Zaffar Eusuff  
California Department of Water Resources  
Division of Integrated Regional Water Management  
Financial Assistance Branch  
Post Office Box 942836  
Sacramento, CA 94236

[Muzaffar.Eusuff@water.ca.gov](mailto:Muzaffar.Eusuff@water.ca.gov)

RE: Comment Letter Regarding DERWA Phase 3 Recycled Water Expansion Project -  
2014 Drought Grant Solicitation Draft Funding Recommendations

Dear Mr. Eusuff:

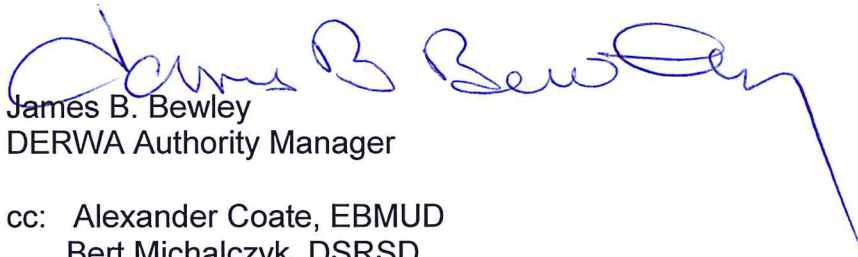
I am commenting on behalf of DERWA (Dublin San Ramon Services District – East Bay Municipal Utility District Recycled Water Authority) to strongly encourage the Department of Water Resources (DWR) to reverse its incorrect draft funding recommendation disqualifying the DERWA Phase 3 Recycled Water Expansion Project due to noncompliance with the California Statewide Groundwater Elevation Monitoring (CASGEM) Program. The DERWA project was included in the Association of Bay Area Governments' application for the San Francisco Bay Area for \$4M to implement the Phase 3 Recycled Water Expansion Project.

DERWA is a joint powers authority formed to manage and implement the DERWA/San Ramon Valley Recycled Water Program in the Tri Valley area. DERWA's regional service area encompasses portions of Dublin, San Ramon, Danville, and Blackhawk and is shown in the attached Figure 1. As shown on Figure 1, the DERWA project overlies a groundwater basin, the Livermore Valley Groundwater Basin monitored by the Zone 7 Water Agency, that is in compliance with the CASGEM program. Furthermore, DERWA does not match the list of potential groundwater monitoring entities identified in the California Water Code Section 10927 and therefore should not be deemed ineligible to receive grant funding based on alleged CASGEM noncompliance. Based on a meeting between DWR and EBMUD on August 22, 2014, DWR has clarified that a project would be deemed eligible for funding if it does not overlie a groundwater basin that is not in compliance with CASGEM.

DERWA is a regional partnership with the goal of maximizing recycled water deliveries in its project service area, which is especially critical in times of drought such as the current drought in California. The Phase 3 Recycled Water Expansion will increase recycled water deliveries to San Ramon and Dublin, and offset the use of potable water. It is a regional project and provides drought relief, which is exactly the type of project suitable for funding under the 2014 drought relief round.

I believe that DWR is incorrect in disqualifying DERWA's project from funding and should reverse its draft decision and fully fund the project. Thank you for your consideration. If you have any questions, please contact me at [bewley@dsrsd.com](mailto:bewley@dsrsd.com) or (650) 465-0042.

Sincerely,



James B. Bewley  
DERWA Authority Manager

cc: Alexander Coate, EBMUD  
Bert Michalczyk, DSRSD  
Jennifer Krebs, ABAG  
Martha Guzman-Aceves, Governor's Office  
Assembly Member Nancy Skinner  
Assembly Member Rob Bonta  
Assembly Member Bill Quirk  
Assembly Member Joan Buchanan  
Assembly Member Susan Bonilla  
Senator Ellen Corbett  
Senator Loni Hancock  
Senator Mark DeSaulnier  
Senator Lois Wolk

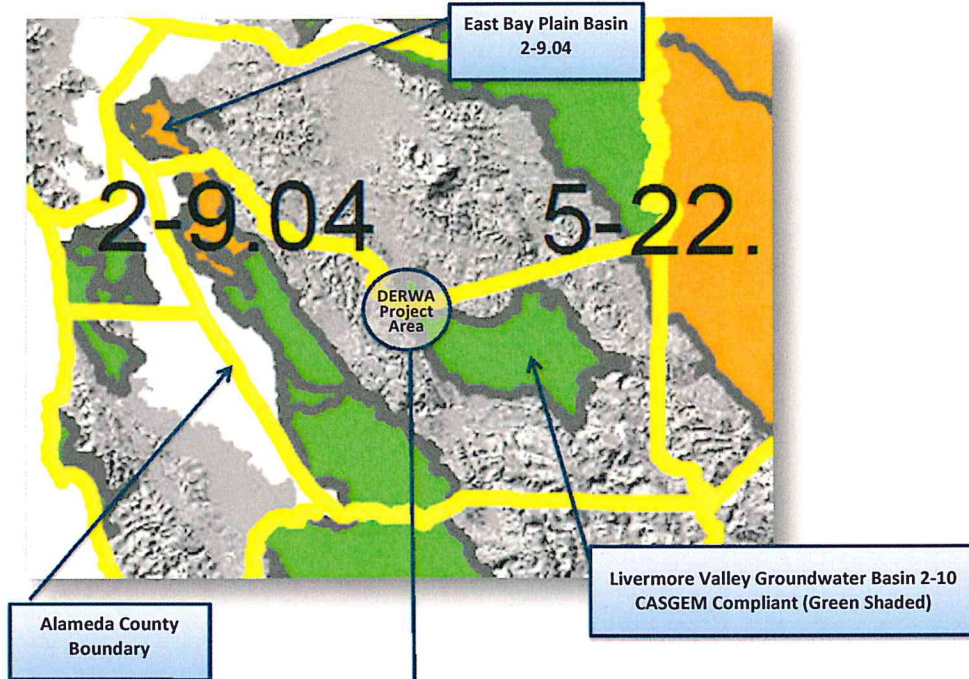
Attachment



**FIGURE 1**

This attachment illustrates the location of the DERWA Phase 3 Recycled Water Project Area relative to the CASGEM Compliant Livermore Valley Groundwater Basin (Basin Number 2-10) and the East Bay Plain Basin (Basin Number 2-9.04).

**CASGEM COMPLIANCE (Ref. = DWR)**



**DETAILED PROJECT MAP (As included in grant application)**

